

In Re: Advanced Media Networks LLC 3952 Camino Ranchero Camarillo CA 93012-5066 <div style="text-align: right;">Debtor(s).</div>	CHAPTER 11 (BUSINESS) <hr/> Case Number: 9:19-bk-10846-DS Operating Report Number: 7 For the Month Ending: 11/30/2019
--	--

I. CASH RECEIPTS AND DISBURSEMENTS
A. (GENERAL ACCOUNT*)

1. TOTAL RECEIPTS PER ALL PRIOR GENERAL ACCOUNT REPORTS	
2. LESS: TOTAL DISBURSEMENTS PER ALL PRIOR GENERAL ACCOUNT REPORTS	
3. BEGINNING BALANCE:	27.86
4. RECEIPTS DURING CURRENT PERIOD:	
Accounts Receivable - Post-filing	
Accounts Receivable - Pre-filing	
General Sales	
Other (Specify)	
**Other (Specify)	
TOTAL RECEIPTS THIS PERIOD:	0.00
5. BALANCE:	27.86
6. LESS: TOTAL DISBURSEMENTS DURING CURRENT PERIOD	
Transfers to Other DIP Accounts (from page 2)	0.00
Disbursements (from page 2)	22.50
TOTAL DISBURSEMENTS THIS PERIOD:***	22.50
7. ENDING BALANCE:	5.36
8. General Account Number(s):	6433973804
Depository Name & Location:	Wells Fargo, CA

* All receipts must be deposited into the general account.

** Include receipts from the sale of any real or personal property out of the ordinary course of business; attach an exhibit specifying what was sold, to whom, terms, and date of Court Order or Report of Sale.

***This amount should be the same as the total from page 2.

TOTAL DISBURSEMENTS THIS PERIOD:

** Fill in amounts in this column if they are DISBURSEMENTS to outside payees; the "amount" column will be filled in for you.

Bank statement Date: 11/30/2019 Balance on Statement: \$5.36

Plus deposits in transit (a):

<u>Deposit Date</u>	<u>Deposit Amount</u>
---------------------	-----------------------

TOTAL DEPOSITS IN TRANSIT

0.00

Less Outstanding Checks (a):

<u>Check Number</u>	<u>Check Date</u>	<u>Check Amount</u>
---------------------	-------------------	---------------------

TOTAL OUTSTANDING CHECKS:

0.00

Bank statement Adjustments:

Explanation of Adjustments-

ADJUSTED BANK BALANCE:

\$5.36

* It is acceptable to replace this form with a similar form

** Please attach a detailed explanation of any bank statement adjustment

1. TOTAL RECEIPTS PER ALL PRIOR PAYROLL ACCOUNT REPORTS	_____
2. LESS: TOTAL DISBURSEMENTS PER ALL PRIOR PAYROLL ACCOUNT REPORTS	_____
3. BEGINNING BALANCE:	<div>0.00</div>
4. RECEIPTS DURING CURRENT PERIOD: (Transferred from General Account)	_____
5. BALANCE:	<div>0.00</div>
6. LESS: TOTAL DISBURSEMENTS DURING CURRENT PERIOD TOTAL DISBURSEMENTS THIS PERIOD:***	<div>0.00</div>
7. ENDING BALANCE:	<div>0.00</div>
8. PAYROLL Account Number(s): *	_____
Depository Name & Location:	_____

***NO PAYROLL PROCESSED BY AMN**

[illegible]

Bank statement Date: _____ Balance on Statement: _____

Plus deposits in transit (a):

<u>Deposit Date</u>	<u>Deposit Amount</u>
---------------------	-----------------------

TOTAL DEPOSITS IN TRANSIT

0.00

Less Outstanding Checks (a):

<u>Check Number</u>	<u>Check Date</u>	<u>Check Amount</u>
---------------------	-------------------	---------------------

TOTAL OUTSTANDING CHECKS:

0.00

Bank statement Adjustments:

Explanation of Adjustments-

ADJUSTED BANK BALANCE:

\$0.00

1. TOTAL RECEIPTS PER ALL PRIOR TAX ACCOUNT REPORTS	
2. LESS: TOTAL DISBURSEMENTS PER ALL PRIOR TAX ACCOUNT REPORTS	
3. BEGINNING BALANCE:	0
4. RECEIPTS DURING CURRENT PERIOD: (Transferred from General Account)	
5. BALANCE:	0.00
6. LESS: TOTAL DISBURSEMENTS DURING CURRENT PERIOD TOTAL DISBURSEMENTS THIS PERIOD:***	0.00
7. ENDING BALANCE:	0.00
8. TAX Account Number(s): *	
Depository Name & Location:	

*N/A - NO TAX ACCOUNT

[illegible]

Bank statement Date: _____ Balance on Statement: _____

Plus deposits in transit (a):

<u>Deposit Date</u>	<u>Deposit Amount</u>
---------------------	-----------------------

TOTAL DEPOSITS IN TRANSIT

0.00

Less Outstanding Checks (a):

<u>Check Number</u>	<u>Check Date</u>	<u>Check Amount</u>
---------------------	-------------------	---------------------

TOTAL OUTSTANDING CHECKS:

0.00

Bank statement Adjustments:

Explanation of Adjustments-

ADJUSTED BANK BALANCE:

\$0.00

(Provide a copy of monthly account statements for each of the below)

Tax Account: N/A - NONE

ANALYSIS OF THE DATA FROM THE 1990 AND 1995 SURVEYS

	0.00
--	------

5.36

Amount

[illegible]

0.00

** Attach Exhibit Itemizing all petty cash transactions

9:19-bk-10846-DS Doc 51 Filed 12/16/19 Entered 12/16/19 16:05:11
Main Document Page 11 of 23

Creditor, Lessor, Etc.	Frequency of Payments (Mo/Qtr)	Amount of Payment	Post-Petition payments not made (Number)	Total Due
N/A - NONE				
TOTAL DUE:				0.00

III. TAX LIABILITIES

FOR THE REPORTING PERIOD:

Gross Sales Subject to Sales Tax:

Total Wages Paid: _____

	Total Post-Petition Amounts Owing	Amount Delinquent	Date Delinquent Amount Due
Federal Withholding	N/A		
State Withholding	N/A		
FICA- Employer's Share	N/A		
FICA- Employee's Share	N/A		
Federal Unemployment	N/A		
Sales and Use	0.00		
Real Property	0.00		
Other:			
TOTAL:	0.00	0.00	

	*Accounts Payable	Accounts Receivable	
	Post-Petition	Pre-Petition	Post-Petition
30 days or less	9,031.62		8,331.90
31 - 60 days	14,033.14		8,609.63
61 - 90 days	20,265.34		8,331.90
91 - 120 days	8,245.51		8,609.63
Over 120 days	240.00	1,069,985.01	25,551.16
TOTAL:	51,815.61	1,069,985.01	59,434.22

V. INSURANCE COVERAGE

	Name of Carrier	Amount of Coverage	Policy Expiration Date	Premium Paid Through (Date)
General Liability	Chubb-Federal	2,000 ,000	7/8/2020	7/8/2020
Worker's Compensation	N/A			
Casualty	Chubb-Federal	98,386	7/8/2020	7/8/2020
Vehicle	N/A			
Others:				

VI. UNITED STATES TRUSTEE QUARTERLY FEES
 (TOTAL PAYMENTS)

Quarterly Period Ending (Date)	Total Disbursements	Quarterly Fees	Date Paid	Amount Paid	Quarterly Fees Still Owing
30-Jun-2019	2,837.31	325.00	30-Jul-2019	325.00	0.00
30-Sep-2019	7,520.93	325.00	31-Oct-2019	325.00	0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
		650.00		650.00	0.00

* Post-Petition Accounts Payable SHOULD NOT include professionals' fees and expenses which have been incurred but not yet awarded by the court. Post-Petition Accounts Payable SHOULD include professionals' fees and expenses authorized by Court Order but which remain unpaid as of the close of the period report

VII. SCHEDULE OF COMPENSATION PAID TO INSIDERS

Name of Insider	Date of Order Authorizing Compensation	*Authorized Gross Compensation	Gross Compensation Paid During the Month
Richard Agostinelli			0.00

VIII. SCHEDULE OF OTHER AMOUNTS PAID TO INSIDERS

Name of Insider	Date of Order Authorizing Compensation	Description	Amount Paid During the Month
Richard Agostinelli		Medical insurance reimbursement	0.00

* Please indicate how compensation was identified in the order (e.g. \$1,000/week, \$2,500/month)

	Current Month	Cumulative Post-Petition
Sales/Revenue:		
Gross Sales/Revenue		
Less: Returns/Discounts		
Net Sales/Revenue	0.00	0.00
Cost of Goods Sold:		
Beginning Inventory at cost		
Purchases		
Less: Ending Inventory at cost		
Cost of Goods Sold (COGS)	0.00	0.00
Gross Profit	0.00	0.00
Other Operating Income (Itemize)		
Operating Expenses:		
Payroll - Insiders		
Payroll - Other Employees	3,150.00	22,950.00
Payroll Taxes	122.40	918.00
Other Taxes (Itemize) - Property tax		244.81
Depreciation and Amortization		
Rent Expense - Real Property		
Lease Expense - Personal Property		
Insurance	774.76	5,445.78
Real Property Taxes		
Telephone and Utilities	420.95	3,083.62
Repairs and Maintenance		
Travel and Entertainment (Itemize)		
Miscellaneous Operating Expenses (Itemize)	22.50	357.05
Total Operating Expenses	4,490.61	32,999.26
Net Gain/(Loss) from Operations	(4,490.61)	(32,999.26)
Non-Operating Income:		
Interest Income	8,331.90	59,434.22
Net Gain on Sale of Assets (Itemize)		
Other (Itemize)		
Total Non-Operating income	8,331.90	59,434.22
Non-Operating Expenses:		
Interest Expense		
Legal and Professional (Itemize)	225.00	68,324.51
Other (Itemize) - U.S. Trustee fee		650.00
Total Non-Operating Expenses	225.00	68,974.51
NET INCOME/(LOSS)	3,616.29	(42,539.55)

(Attach exhibit listing all itemizations required above)

ASSETS	Current Month End	
Current Assets:		
Unrestricted Cash	5.36	
Restricted Cash		
Accounts Receivable	1,129,419.23	
Inventory		
Notes Receivable		
Prepaid Expenses	2,808.66	
Other (Itemize)		
Total Current Assets		1,132,233.25
Property, Plant, and Equipment		
Accumulated Depreciation/Depletion		
Net Property, Plant, and Equipment		0.00
Other Assets (Net of Amortization):		
Due from Insiders		
Other (Itemize)		
Total Other Assets		0.00
TOTAL ASSETS		1,132,233.25
LIABILITIES		
Post-petition Liabilities:		
Accounts Payable	51,815.61	
Taxes Payable		
Notes Payable		
Professional fees		
Secured Debt		
Other (Itemize) - Accrued Payroll	10,950.00	
Total Post-petition Liabilities		62,765.61
Pre-petition Liabilities:		
Secured Liabilities		
Priority Liabilities	5,950.00	
Unsecured Liabilities	748,274.80	
Other (Itemize) - Notes Payable	22,000.00	
Total Pre-petition Liabilities		776,224.80
TOTAL LIABILITIES		838,990.41
EQUITY:		
Pre-petition Owners' Equity	318,707.70	
Post-petition Profit/(Loss)	(42,539.55)	
Direct Charges to Equity	17,074.69	
TOTAL EQUITY		293,242.84
TOTAL LIABILITIES & EQUITY		1,132,233.25

- | | No | Yes |
|---|----------|---------------|
| 1. Has the debtor-in-possession made any payments on its pre-petition unsecured debt, except as have been authorized by the court? If "Yes", explain below: | <u>X</u> | <u> </u> |
| <hr/> | | |
| 2. Has the debtor-in-possession during this reporting period provided compensation or remuneration to any officers, directors, principals, or other insiders without appropriate authorization? If "Yes", explain below: | No | Yes |
| | <u>X</u> | <u> </u> |
| <hr/> | | |
| 3. State what progress was made during the reporting period toward filing a plan of reorganization
<i>No progress at present time. Petition filed 5/6/19 and Chapter 11 Reorganization is in embryonic stage. See 4. below for progress on litigation matters in process.</i> | | |
| <hr/> | | |
| 4. Describe potential future developments which may have a significant impact on the case: | | |
| <p>1. Appeal in Northern District of Texas of Judgment ordered re payment of attorneys' fees of \$258,261.74 to AT&T pursuant to Advanced Media Networks LLC v. AT&T, Inc., No. 3:15-cv-03496-N. Plaintiff's Status Report filed with Federal District US Court of Appeals on 11/11/19.</p> <p>2. Appeal in 2nd Appellate District of California in Appeal Case No. B295234 - A-Mark Foundation, et.al. v. Advanced Media Networks LLC (AMN) and AMN Cross-Appeal re Summary Judgment (July 2014) and Jury Verdict awarding damages to AMN (May 2018) in excess of \$1 million. Appellant's Opening Brief due December 29, 2019 and AMN's Opening Brief is due 2/27/20.</p> <p>3. Appeal in Court of Appeals Federal Circuit (CAFC) in Appeal Case No. 2019-1766, AMN's appeal of Patent Trial and Appeal Board (PTAB) adverse ruling in confirming the Patent and Trademark Office (PTO) rejection of the patent claims in AMN Patent No. 90/013,382. Opening Appeal Brief was filed by Meister Seelig & Fein LLP on 9/12/19; PTAB filed its Responding Brief on 11/21/19; and AMN Reply is due 1/10/20.</p> | | |
| 5. Attach copies of all Orders granting relief from the automatic stay that were entered during the reporting period. | None | |
| <i>None Received</i> | | |
| | No | Yes |
| 6. Did you receive any exempt income this month, which is not set forth in the operating report? If "Yes", please set forth the amounts and sources of the income below. | <u>X</u> | <u> </u> |
| <hr/> | | |

I, Richard J. Agostinelli, CEO
declare under penalty of perjury that I have fully read and understood the foregoing debtor-in-possession operating report and that the information contained herein is true and complete to the best of my knowledge.

Date: November 13, 2019

Principal for debtor-in-possession:


Page 16 of 16

**ADVANCED MEDIA NETWORKS LLC
LEGAL EXPENSES
MONTH ENDED NOVEMBER 30, 2019**

Steinberg, Nutter, & Brent

225.00

TOTAL

225.00

**ADVANCED MEDIA NETWORKS LLC
MISCELLANEOUS OPERATING EXPENSES
MONTH ENDED NOVEMBER 30, 2019**

Bank fees	10.00
Dues & Subscription	<u>12.50</u>
TOTAL	<u>22.50</u>

Wells Fargo Simple Business Checking

November 30, 2019 ■ Page 1 of 4

**WELLS
FARGO**

ADVANCED MEDIA NETWORKS LLC
DEBTOR IN POSSESSION
CH 11 CASE #19-10846 (CCA)
3952 CAMINO RANCHERO
CAMARILLO CA 93012-5066

Questions?

Available by phone 24 hours a day, 7 days a week:

Telecommunications Relay Services calls accepted

1-800-CALL-WELLS (1-800-225-5935)

TTY: 1-800-877-4833

En español: 1-877-337-7454

Online: wellsfargo.com/biz

Write: Wells Fargo Bank, N.A. (114)

P.O. Box 6995

Portland, OR 97228-6995

Your Business and Wells Fargo

Visit wellsfargoworks.com to explore videos, articles, infographics, interactive tools, and other resources on the topics of business growth, credit, cash flow management, business planning, technology, marketing, and more.

Account options

A check mark in the box indicates you have these convenient services with your account(s). Go to wellsfargo.com/biz or call the number above if you have questions or if you would like to add new services.

Business Online Banking



Online Statements



Business Bill Pay



Business Spending Report



Overdraft Protection

**Activity summary**

Beginning balance on 11/1	\$352.86
Deposits/Credits	0.00
Withdrawals/Debits	- 347.50
Ending balance on 11/30	\$5.36
 Average ledger balance this period	 \$152.44

Account number: **6433973804**

ADVANCED MEDIA NETWORKS LLC

DEBTOR IN POSSESSION

CH 11 CASE #19-10846 (CCA)

California account terms and conditions apply

For Direct Deposit use

Routing Number (RTN): 121042882

For Wire Transfers use

Routing Number (RTN): 121000248

Overdraft Protection

This account is not currently covered by Overdraft Protection. If you would like more information regarding Overdraft Protection and eligibility requirements please call the number listed on your statement or visit your Wells Fargo store.

Transaction history

Date	Check Number	Description	Deposits/ Credits	Withdrawals/ Debits	Ending daily balance
11/13	1104	Check		325.00	27.86
11/18		Recurring Payment authorized on 11/16 Msft * E06009Mhz0 800-642-7676 WA S469321071057668 Card 1897		12.50	15.36
11/29		Monthly Service Fee		10.00	5.36
Ending balance on 11/30					5.36
Totals			\$0.00	\$347.50	

The Ending Daily Balance does not reflect any pending withdrawals or holds on deposited funds that may have been outstanding on your account when your transactions posted. If you had insufficient available funds when a transaction posted, fees may have been assessed.

Summary of checks written (checks listed are also displayed in the preceding Transaction history)

Number	Date	Amount
1104	11/13	325.00

Monthly service fee summary

For a complete list of fees and detailed account information, see the Wells Fargo Account Fee and Information Schedule and Account Agreement applicable to your account (EasyPay Card Terms and Conditions for prepaid cards) or talk to a banker. Go to wellsfargo.com/feefaq for a link to these documents, and answers to common monthly service fee questions.

Fee period 11/01/2019 - 11/30/2019 Standard monthly service fee \$10.00 You paid \$10.00

How to avoid the monthly service fee

Have any **ONE** of the following account requirements

- Average ledger balance

Minimum required

\$500.00

This fee period

\$152.00 ☐

The Monthly service fee summary fee period ending date shown above includes a Saturday, Sunday, or holiday which are non-business days.

Transactions occurring after the last business day of the month will be included in your next fee period.

C1/C1

Account transaction fees summary

Service charge description	Units used	Units included	Excess units	Service charge per excess units (\$)	Total service charge (\$)
Cash Deposited (\$)	0	3,000	0	0.0030	0.00
Transactions	1	50	0	0.50	0.00
Total service charges					\$0.00

**IMPORTANT ACCOUNT INFORMATION**

We are updating the Wells Fargo Deposit Account Agreement as follows:

Effective December 31, 2019, in the section of the Agreement titled, "Rights and Responsibilities", the response to "Is your wireless operator authorized to provide information to assist in verifying your identity?" is deleted and replaced with the following:



Yes, and as part of your account relationship, we may rely on this information to assist in verifying your identity. You understand and agree that Wells Fargo may collect, use and retain personal or other information about you or your device pursuant to Wells Fargo's policies or as required by applicable law.

You authorize your wireless operator to disclose your mobile number, name, address, email, network status, customer type, customer role, billing type, mobile device identifiers (IMSI and IMEI) and other subscriber and device details, if available, to Wells Fargo and service providers for the duration of the business relationship, solely for identity verification and fraud avoidance. Review our Privacy Policy for how we treat your data. You represent that you are the owner of the mobile phone number or have the delegated legal authority to act on behalf of the mobile subscriber to provide this consent.



General statement policies for Wells Fargo Bank

■ **Notice:** Wells Fargo Bank, N.A. may furnish information about accounts belonging to individuals, including sole proprietorships, to consumer reporting agencies. If this applies to you, you have the right to dispute the accuracy of information that we have reported by writing to us at: Overdraft Collections and Recovery, P.O. Box 5058, Portland, OR 97208-5058.

You must describe the specific information that is inaccurate or in dispute and the basis for any dispute with supporting documentation. In the case of information that relates to an identity theft, you will need to provide us with an identity theft report.

Account Balance Calculation Worksheet

1. Use the following worksheet to calculate your overall account balance.
2. Go through your register and mark each check, withdrawal, ATM transaction, payment, deposit or other credit listed on your statement. Be sure that your register shows any interest paid into your account and any service charges, automatic payments or ATM transactions withdrawn from your account during this statement period.
3. Use the chart to the right to list any deposits, transfers to your account, outstanding checks, ATM withdrawals, ATM payments or any other withdrawals (including any from previous months) which are listed in your register but not shown on your statement.

ENTER

A. The ending balance
shown on your statement \$

ADD

B. Any deposits listed in your register or transfers into your account which are not shown on your statement.

	\$	_____
	\$	_____
	\$	_____
	+	\$ _____
..... TOTAL	\$	_____

CALCULATE THE SUBTOTAL

(Add Parts A and B)

..... TOTAL \$

SUBTRACT

C. The total outstanding checks and withdrawals from the chart above - \$

CALCULATE THE ENDING BALANCE

(Part A + Part B - Part C)

This amount should be the same as the current balance shown in your check register

\$.

[illegible]

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:
Steinberg, Nutter & Brent, Law Corporation, 23801 Calabasas Road, Suite 2031, Calabasas, CA 91302

A true and correct copy of the foregoing document entitled (*specify*): OPERATING REPORT NO. 7 will be served or was served
(a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. **TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):** Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On 12/16/19, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

Brian D Fittipaldi brian.fittipaldi@usdoj.gov
Peter T Steinberg mr.aloha@sbcglobal.net
United States Trustee (ND) ustpreion16.nd.ecf@usdoj.gov

☐ Service information continued on attached page

2. **SERVED BY UNITED STATES MAIL:**

On 12/16/19, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

Judge

Honorable Deborah J. Saltzman
United States Bankruptcy Court
Edward R. Roybal Federal Building and Courthouse
255 E. Temple Street, Suite 1634
Los Angeles, CA 90012

☐ Service information continued on attached page

3. **SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL** (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on _____, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

12/16/19	Marisela Becerra	/s/ Marisela Becerra
Date	Printed Name	Signature